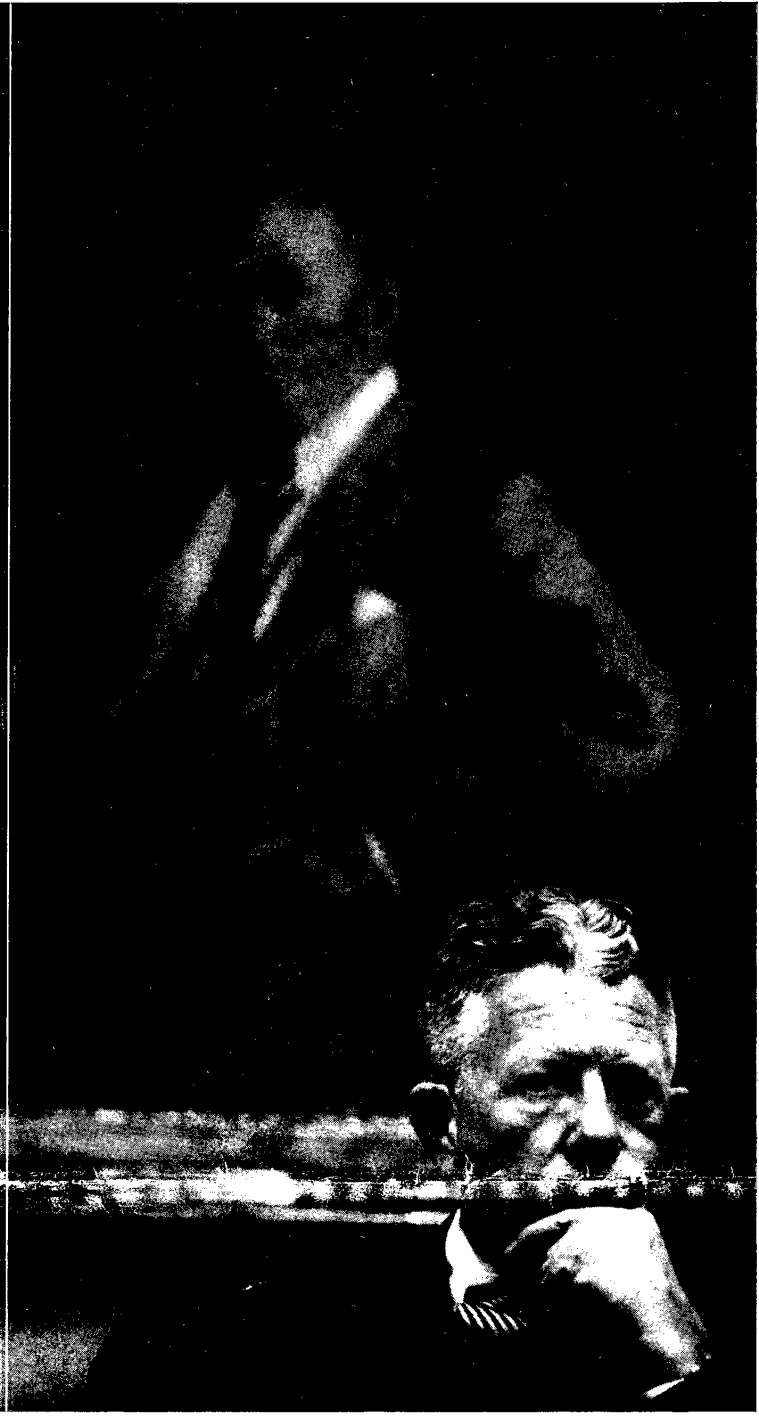


Robert Phillips

The strange blanks on the Russians' ICBM range, a jet-bomber fleet that never materialized—these and other mysteries surround the budget controversy in which the Defense Secretary is embroiled.

The Embattled Mr. McElroy

by Charles J. V. Murphy



Under the brooding portrait of the late James V. Forrestal, who was the first U.S. Secretary of Defense (1947-49), Neil Hosler McElroy ponders the problem of being Secretary in 1959. In Forrestal's day the burning issue was the carrier versus the bomber—and Berlin. In McElroy's it is the ICBM versus the bomber and just about everything else—and Berlin. Beyond this, he has an acute personal problem—whether to return to his company this fall, as his Procter & Gamble associates are counting on his doing, or to stay with Eisenhower to the end, at a heavy financial penalty.

One day in July, 1957, the president of Procter & Gamble flew from his home in Cincinnati for a quick preliminary look at the job that President Eisenhower had asked him to assume. Among the men he talked to on that first trip was Charles E. Wilson, the man he was to succeed. McElroy saw him at the Pentagon, in the spacious office of the Secretary of Defense, on the "E" Ring. There, under a portrait of the late James Forrestal, which tells in its somber intensity just about all that needs to be told about the strains and conflicts that haunt the office, Wilson was his usual affable, loquacious self, though appearing a trifle worn. He talked about the job and its problems and waved at a copy of the *Washington Post* on his desk, grumbling. "Someday somebody up there on the Hill is going to throw some questions at you and tell you that you can answer freely in executive session. Don't believe 'em. Three months later you'll be seeing your words in the morning newspaper."

Since it was the end of Wilson's working day, and almost seven-thirty, he offered to drop McElroy off at his hotel, and on the ride into town he rambled on in a philosophical vein about the nature of the job. For all the money and the great variety of programs involved, Wilson said, the administrative side of the Defense secretaryship should present no particular problems to an experienced corporation executive. The worst part of the job was dealing with Congress,

wrangling over minor details, and testifying day after day about the same things before different committees. "Some will listen to you," Wilson observed, "and they know a hell of a lot about your business. They've been analyzing these programs year after year. The only trouble is, there aren't quite enough of this kind." As for the military, with a few exceptions in the highest ranks, it was pretty hard to get those fellows to think about defense programs in terms of the aggregate national problem, as distinct from the interests of their services. "It's better now than when I first came here," Wilson said, "but you'll have to work hard on that." By this time they were almost at McElroy's hotel. Holding out his hand, Wilson said, "I've been anxious to let go. But now that it's about to happen, my feelings are mixed. It's not easy, at my age, to turn over responsibility like this."

McElroy remembers this conversation for the way it now bears on his own situation. His feelings are also mixed, and it must be presumed that the responsibilities of the Defense job weigh at least as heavily on him as they did on Wilson. He, too, has been caught up in the ever revolving arguments about forces, weapons, and strategy. Wilson was under unrelenting attack for neglecting the jet-bomber force, and with it the fundamental weapon system in the U.S. deterrence to general war. McElroy is being hammered by the same critics, together with new ones, for tolerating a missile "gap," which, in their view, could undermine the deterrent and expose the U.S. and its friends to "ballistic blackmail." And this argument was boiling up just when the situation in Berlin seemed to confront the West with an old threat in a new, more intricate, and more dangerous form.

The pull of P. & G.

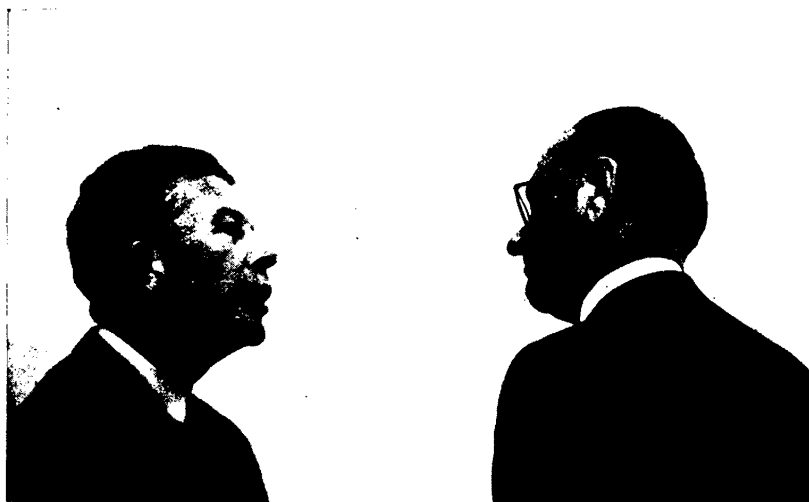
In the midst of these matters, McElroy has been caught up in a personal quandary. It is his intention to quit the secretaryship in the autumn, if events and the President will allow him to do so. Procter & Gamble wants him back. The chairman of its board, Richard E. Deupree, will be seventy-four in May; he is anxious to relinquish his duties to McElroy, who took his first job with the soap company thirty-four years ago; and McElroy himself is eager to get back.

McElroy had made it clear to the President, when he agreed in the summer of 1957 to take the Defense job, that it would be difficult for him to stay longer than two years—

barring a national crisis. The President agreed to that arrangement. There was also an agreement between McElroy and the Procter & Gamble board that he would return in two years. Stock options that McElroy was given by the company have only a short time to run; and under government regulation he cannot exercise them while he is in public office. These options are important to the Secretary. In contrast with Wilson, who was independently wealthy when he left General Motors at the age of sixty-two to serve the government, McElroy at fifty-four has little more than this one nest egg that has not yet been hatched.

Meanwhile, he has experienced all the exasperations and troubles that Wilson said he would; and despite his equable nature he finds himself, like every Defense Secretary before him, in the middle of a serious, politically heated debate. He has also had to adjust himself to a situation that Wilson had failed to mention, although it had certainly been the source of many of Wilson's frustrations: a man who had spent all of his life in business, he had to act as an adviser on forces and strategy to a President who had spent almost his whole career in the military. With McElroy, as earlier with Wilson, the President has made a practice of staying aloof from the administration of the services. "That's your responsibility," he told each man in his turn. The President does, however, follow the broad strategical plans and the rise and fall of the major weapon systems with close, even rapt attention. In these matters it is the President, in consultation with his many advisers, especially the scientists, who makes the decisions and, in the end, fixes how much will be spent. McElroy, therefore, had to defend a whole complex of far-reaching military decisions that were really not so much his as they were the President's.

He now finds himself in the middle of the debate over Eisenhower's decision to limit the military budget for fiscal 1960 to \$40.9 billion. In that debate he will be defending, beyond his direct responsibilities, a national budget of \$77 billion that left a mere \$100-million margin between deficit and balance. McElroy could lose all that and a great deal more in a single afternoon on Capitol Hill. He is being pressed hard on the question of whether to speed up our ICBM production in order to close the ICBM gap. He has acknowledged that the gap probably does exist and that it may widen into 1961. He has insisted, however, that while the prospect is hardly a reassuring one, it does not



The Secretary and His Democratic Critics

Wariness and mistrust now mark the attitude of the Democratic opposition toward Secretary McElroy (shown here face to face with Senator Lyndon Johnson, the Majority Leader). In general, the Democratic case against McElroy and the President is that, in the interest of a balanced budget, the Administration is holding down the U.S. output of ICBM's, thereby forfeiting a dangerous offensive advantage to the Russians. Characteristically, Johnson is letting his more ardent lieutenants develop the action.

mean that U.S. military power is being fatally outdistanced. As will be shown, the Eisenhower decision is a defensible one, even though it has not been defended very well. But the decision perhaps gives too little weight to the psychological and political effects on our allies of allowing the Russians an apparent advantage in this one but highly portentous weapon system. In any case, McElroy must stand on an exposed position. He was made to understand how exposed during one of his appearances before the Armed Services Committee of the Senate when, in an effort to be reassuring, he said unwarily: "If we get complacent, we ought to be shot."

Senator Richard B. Russell, too shrewd a debater to let an opportunity like this pass, said quietly: "You probably will be."

The novice takes command

McElroy had at first impressed himself upon Washington as a highly promising example of a rare breed: a businessman with a talent for public affairs. When he took over the Pentagon on October 9, 1957, a complete novice in military affairs, it was only five days after the Russians had sent up Sputnik I. The country was stunned as it had not been stunned since Pearl Harbor. The wave of apprehension sweeping the press and the Congress threatened to engulf Eisenhower's reputation as a military planner; and a belligerent Democratic majority seemed about to go off the deep end in pursuit of a whole catalogue of costly schemes for restoring what was presumed to be the lost American primacy in space and on the globe. McElroy had a lot to do with restoring confidence. In the fierce debate that boiled up in the autumn of 1957, and while he was himself struggling to master the details of the vast mechanism for which he was responsible, he actually turned his own inexperience to good account. A Congress that would have sprung at a cocky and defiant Wilson was slowly mollified by the tall, courteous Midwesterner who never got rattled, who was not embarrassed to admit his ignorance, and yet adroitly stole the opposition's thunder by accelerating the critical military programs that conspicuously needed a more powerful push.

It was a tour de force that established McElroy as one of the star performers in the Eisenhower Cabinet. His confidence grew visibly. The ambushes and pitfalls that Washington strews in the path of an overconfident arrival fazed

the newcomer from Cincinnati not at all. Service conflicts that had roiled Wilson passed right over Neil McElroy. No other member of the Cabinet, with the exception of Secretary of the Treasury Robert Anderson, enjoyed so good a press. The commentators began to mention him as a dark-horse possibility for the Republican presidential nomination. His standing on Capitol Hill was excellent. The Democratic leaders came to measure him as a man who learned fast and plainly had a mind of his own.

In one respect, McElroy's part was at first easier than his predecessor's. Wilson had the unpopular task of reducing the military budget. McElroy had the President's authority to add to it—always a popular action in dangerous times. He whistled up more jet bombers for the Strategic Air Command and arranged for the force to be dispersed over more airfields. Space programs were stepped up. Three costly ballistic-missile warning radars were ordered for the continental polar approaches: one each for Alaska and Greenland, and the third probably for the British Isles. These projects did not altogether satisfy the Democrats. Last summer Congress added to the money authorizations a total of \$1.3 billion, which McElroy insisted he did not need, and of which he has spent only about one-third. Yet the important actions McElroy took did cool things down.

His gifts for negotiation and persuasion, meanwhile, continued to impress Washington. In the midst of the hauling and pulling over the post-Sputnik military programs, the President suddenly decided that the climate was favorable for ramming through Congress a comprehensive plan to reorganize the administrative structure of the Pentagon. McElroy would have preferred to put off so tricky an operation for at least a year, until he had a clearer picture of what was being changed. Nevertheless, being the loyal lieutenant that he is, he plunged ahead and eventually emerged with legislation that was to the President's liking, having softened, on the way, the original objections of crusty old Carl Vinson of Georgia, the invincible head of the House Armed Services Committee. The act that resulted tightened the civilian control over the military services, cleared the lines of authority from the Defense Secretary to the great field commands, and generally strengthened the staff serving the Joint Chiefs of Staff, who have the duty of advising the Secretary and the President. It was a first-class job of work.

But the general aura of good feeling that surrounded



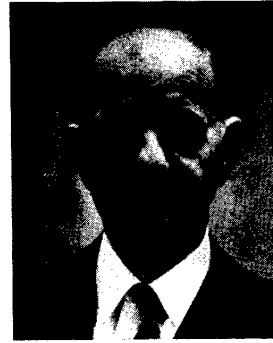
"Is this program," asks Texas Representative George H. Mahon, chairman of the House Military Appropriations Subcommittee, "responsive to the demand . . . of the American people?"



Most relentless critic of the defense budget is Senator Stuart Symington of Missouri. He's for more of practically everything—more airlift, more Marines, more bombers, more ICBM's.



On a policy point stands Senator Henry Jackson of Washington, another force on the Armed Services Committee. For the U.S. to seem to be second in the ICBM race, he says, would scare our allies.



An old hand at an old budget argument, seventy-five-year-old Carl Vinson, veteran chairman of the House Armed Services Committee, maintains an equable, calm outlook.



Out of his depth in the technical aspects of the ICBM debate, Senator Richard B. Russell of Georgia, chairman of the Armed Services Committee, tends toward a watchful silence.

Secretary McElroy lasted for only about fifteen months, or until the Eighty-sixth Congress convened for business in January, with an overpowering Democratic majority.

The wrong foot

For the trouble that now surrounds the military budget (and McElroy), Eisenhower is in no small part to blame. Last December, when he decided to go for a balanced budget, while holding taxes at existing levels, he did so on the familiar reasoning that the nation's economic stability was certain to be, along with military strength, one of the two decisive factors that would swing the power balance. What the President overlooked, as Walter Lippmann pointed out, was that by putting paramount emphasis on the fiscal aspects of a balanced budget he would seem to be informing the world that "national defense is not the first but only the secondary consideration in this government." This was not so. The \$40.9 billion the Administration is proposing to spend on the military in fiscal 1960 is slightly more than it will spend in the current year*; it is the other going domes-

* The defense spending figure can be put as high as about \$46 billion if such expenditures as AEC and foreign military aid are included.

Robert Phillips



All alone at a supper of salad and milk, in the Secretary's dining room, McElroy catches up on his reading. He doesn't go along with Wilson's theory that executive work is pretty much the same, in industry or government. "Take the language of legislation," he says. "It's spooky. I keep asking myself, 'What is it really saying?'"

tic programs that are to be shrunk by nearly \$4 billion. Nevertheless, the Administration's seeming preoccupation with the fiscal aspect of the national posture gave its opponents an initial advantage in the debate, and throughout has been a principal cause of McElroy's difficulties.

For an executive whose forte in business was the gauging of public attitudes, McElroy was tardy in realizing what was happening to the case for his defense programs. His acknowledgments that the Soviet Union *could* have three times as many ICBM's three years hence as the U.S. will have, and his avowal that it was not the Administration's "intention or policy to match [the U.S.S.R.] missile for missile" were seized upon by his critics and most emphatically by Senator Stuart Symington, the Democrats' expert on defense, as an admission that the Eisenhower Administration, in its obsession with a balanced budget, was unwilling to pay the price for maintaining military parity with the U.S.S.R., let alone for gaining superiority.

McElroy never meant to suggest that the U.S. was reconciled to letting its offensive advantage dwindle away. On the contrary, the point he started out to make was that the U.S. forces and weapons that are being brought forward under the budget were best calculated to defend that advantage. Unfortunately for him, at the critical opening phase of the military debate he failed to get his point across. Senator Symington bored in with the charge that the true ICBM ratio was at least four to one, in favor of the Soviet Union; and in support of this thesis there was even an insinuation that the "National Intelligence Estimates" of the Soviet ICBM potential had been "tailored"—i.e., shrunk—in order to justify the presumably inferior U.S. programs.

Man in orbit

McElroy soared into public life with the Sputnik; a favorite quip at the Pentagon, which is widely attributed to his admiring friend General Nathan F. Twining, Chairman of the Joint Chiefs of Staff, proclaims that he's been in orbit ever since. It is doubtful that McElroy's sense of having been flung into the wild blue yonder, past all the sure and familiar landmarks of an earlier and altogether successful experience, has ever been so acute as now. Except for the habit of command, and a remarkable gift of persuasion, there was almost nothing in his pre-Pentagon life upon which he can draw for guidance in the situation that now enfolds him—a situation that calls not only for technical judgments of the highest and most specialized order, but also for the most subtle kind of political assessments.

McElroy's life, for all its success, had been singularly insular. Son of a high-school physics teacher, he was born fifty-four years ago in Cincinnati. There he grew up and went to high school, and there, on his return from Harvard, he got his first job, with Procter & Gamble, to enter a life that became increasingly agreeable. His only connection with the military was a brief enlistment, in his youth, in a fashionable National Guard cavalry squadron. In a career spent largely on the marketing and promotional side of a heavily "sales-oriented" business, there was no need for him to immerse himself in the scientific world so familiar to his present Deputy Secretary, Donald Quarles (formerly of Western Electric), nor was he ever exposed to the heavy-goods engineering and production problems that Charlie Wilson knew so well. McElroy had come most conspicuously to Eisenhower's attention when he was chairman of the White House Conference on Education in 1955. His other extracurricular activities were mainly centered upon Cincinnati's civic problems. There was certainly little in

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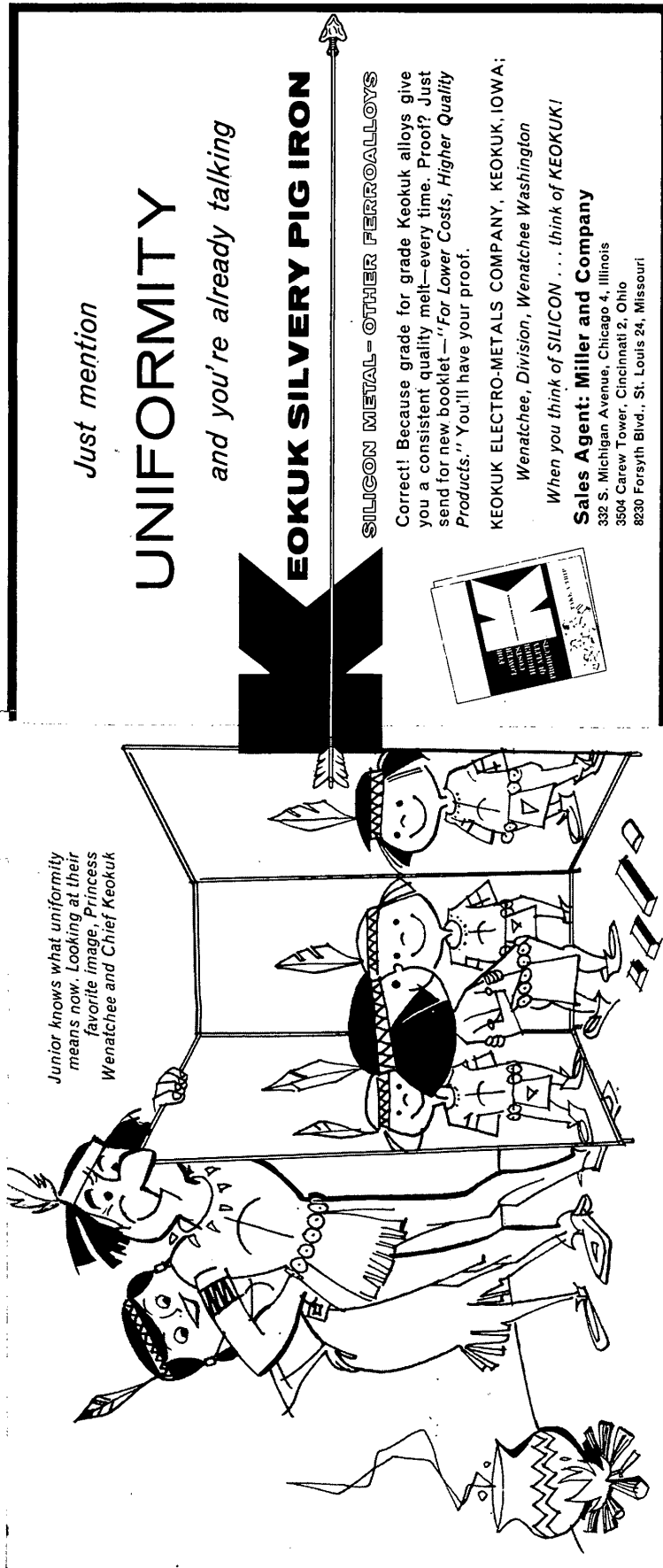
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Embattled McElroy *cont.*

have theorized that the Russians were making a huge effort to cancel out SAC with an outpouring of interceptors. It is true that they have built thousands of day fighters and a number of interceptors with a rudimentary bad-weather capability. Yet, while no less than four different Soviet prototypes of high-performance all-weather interceptors have come into view during the past several years, none of these has yet appeared in an operational unit.

The same start-and-stop rhythm has characterized the Soviet approach to certain other weapons. A large cruiser program was started, only to be abandoned, with costly vessels left unfinished in the stocks. There has been a drastic slowdown in the Russians' submarine-construction program, and the first Soviet nuclear submarine has yet to appear. There were, until last year, hesitations and interruptions in their tests of nuclear weapons—interruptions that did not accord with the rhythm that characterizes an orderly program.

All this suggests that the Russians have had their troubles, too (in the light of what is known about their civilian economy, it would be strange indeed if nothing ever went wrong in their military programs). It suggests that they also have been of mixed mind as to where their true military interests lie. Under Khrushchev they have dropped, after a costly start, the idea of matching U.S. striking power in manned bombers. They appear also to have abandoned, at least for the time being, their plan of challenging the U.S. on the sea, where the advantage has shifted to the nuclear submarine.

The U.S. story

Paradoxically, the apprehensions in this country have been stimulated in no small degree by a development that should in fact be rather reassuring to the American outlook—our own very real success with ballistic missiles. This new weapon system has been brought along at unprecedented speed and with technical sureness.

It was five years ago, in March, 1954, that the Air Force decided to push the ICBM hard. A year and a half later, in September, 1955, the President raised the project to the highest national priority; this gave it first call on the nation's technical resources, before all other weapons.

The goal set by the President was to attain during 1959 an IOC rep-

resented by a combat unit in position. By stretching that definition somewhat, the goal will be realized when the rudiments of an operational squadron are organized at Vandenberg Air Force Base on the California coast this summer. (The first full combat squadron will not take its position, in the Wyoming mountains, until early in 1960.)

The original decision was to concentrate the major effort behind the liquid-fueled Atlas missile, which was assigned to Convair; but because its success could not be taken for granted, it was decided to bring along a second liquid-fueled missile, embodying somewhat different technical solutions, as a backup to the Atlas. This other rocket was the Titan, and it was assigned to the Martin Co.

The success of the Atlas on the Cape Canaveral proving ground has, if anything, surpassed the technical expectations. Of the last ten firings, spaced over seven months, five were technical successes and five were partial successes. The major technical problem remaining is to raise the mechanical reliability of the weapon and hone its accuracy.

Because of the Atlas' high promise from the start, the development of the Titan was slowed down a trifle, so instead of being a year behind Atlas in the developmental cycle, as was first planned, it is now about a year and a half behind. But the first two Titan firings were successful; the program thus got off to a smoother start than the one it was meant to hedge. Its success is not in doubt.

If the U.S. has reason to be embarrassed about its ICBM program, it is because it was too conservative in its judgment of Atlas' prospects and now has in its hands two rather similar liquid-fueled rocket systems, each of them holding equal promise.

The Titan stays

Last autumn, in fact, serious consideration was given to the question of dropping the Titan altogether and expanding the output of the Atlas, of which nine squadrons are to be deployed. The question was debated within the Science Advisory Committee in Secretary McElroy's councils at the Pentagon, and, finally, in the National Security Council. It was decided not only to stay with the Titan, but to increase the number of squadrons to be deployed from four to eleven. In certain respects the Titan is the more sophisticated weapon and therefore capable of more "growth"

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Embattled McElroy cont.

than the Atlas. It is expected to be operational in mid-1961, with the first squadron by then in readiness in its deep underground shelters.

Meanwhile, the solid-fuel rocket has begun to bulk large in our future prospects. A total of about \$450 million has already been given the Air Force's Minuteman program, and an outlay of close to \$1 billion is contemplated for the R. and D. side alone. The expectation is that the Minuteman system will have been proved out in practice, and be in production, with the first operational squadron going through its drill, by 1963, or just about the time that the last Titan squadron in the present program of twenty liquid-fueled squadrons has been deployed.

Thus the U.S. now has three different ICBM systems coming along, spaced roughly a year and a half apart. Meanwhile, in the IRBM category, progress has also been good. The Air Force's Thor has emerged as a bonus from the Atlas program, and the Army's Jupiter has also been a technical success. The first Thor squadron is already in position in the United Kingdom; the first Jupiter squadron is tentatively scheduled for assignment in Western Europe, under NATO auspices, this summer. The Navy's Polaris, an IRBM rocket that will be fired from a nuclear submarine submerged in the ocean depths, is also undergoing its first firing tests at Cape Canaveral. While the initial launchings have miscarried, confidence in the weapon is high. The first several Polaris submarines are scheduled to be on station by late 1960, each with sixteen rockets in her magazine; the keels of five have been laid, and four more are on order.

Vast sums have gone into these strategic range missile systems. Under the fiscal 1960 budget, a total of about \$2.7 billion is sought for additional capital outlays for these programs alone, and this sum will be on top of an aggregate capital outlay of \$6.9 billion during the past four fiscal years (1956-59). The Navy's nine-boat Polaris program is expected to require a total investment of \$2.7 billion.

Five out of ten

All this adds up to a record of solid achievement. It should be a cause for national confidence. Instead the situation is for many a source of profound disquiet.

Their fear is that because the U.S. has moved so far with its mis-

sile systems the Russians must have moved even further. And indeed McElroy lent weight to this fear when he conceded that the Russians could have three ICBM's to our one by 1962.

But an ICBM capability cannot be determined by numbers alone. Two other crucial factors must be taken into account: accuracy and reliability. Accuracy is expressed by a formula called the CEP (Circular Error of Probability). This is shorthand for calculating the mathematical chances of putting a warhead within a certain radius of a specific target, and the radius is determined, in turn, by the lethal circle of the warhead. The more kilotons or megatons in the warhead, the wider the circle of "remunerative" damage from heat and blast. The original specification for the Atlas, envisaging a thermonuclear warhead on the order of one megaton, called for a CEP of five miles and a high order of reliability. By the Air Force's definition, a missile is reliable when it can be counted upon, after the launch button is pushed, to make its CEP.

The Atlas today, with only a fraction of its range tests fulfilled, is judged to be about 50 per cent reliable. That is, of ten shots fired, only five can be expected to strike within lethal range of a target. In the meantime, however, the explosive power of the warhead has been greatly increased; refinements in the guidance system promise to shrink the CEP to less than two miles; and the reliability is expected to be raised to 80 per cent or so during the next several years. That means that four of every five rockets that are fired can be depended upon to strike a much tighter target area than was first thought possible.

Arithmetic of destruction

In its present stage the ICBM — both ours and theirs — is a long way from acceptable reliability and accuracy. Yet, by reason of continuing technological improvements, its arithmetic of destruction becomes quite hair-raising. The Air University *Quarterly Review*, in the spring issue of 1958, published certain calculations relating to the number of nuclear weapons of differing power and accuracy that would be required to destroy targets of varying degrees of "hardness." The estimates were not specifically addressed to the Atlas; they do, however, supply a crude measure of its potential. When and if a CEP on the order of a mile and a half is attained, together with a two-mega-

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Embattled McElroy cont.

ton warhead and an 80 per cent reliability, it would be mathematically possible to be 90 per cent sure of taking out a city or an unprotected airfield (so-called "soft" targets) with just two rockets. Six such rockets should take out a so-called "toughened" position (protected by concrete revetments designed to withstand "over-pressure" of twenty-five pounds per square inch above normal atmospheric pressure); and fourteen should collapse another rocket sited deep in the earth, inside a concrete silo meant to withstand 100 pounds per square inch of over-pressure.

The arithmetic of defense

The Russians do not now have anything like this order of technical capability. Their warhead techniques definitely lag behind our own; the test firings over their ICBM range suggest a reliability factor that is no better than ours and is probably inferior. U.S. missile experts are confident, however, that they themselves will before long achieve a CEP of less than two miles, a reliability of 80 per cent or so, and therefore it would be imprudent for U.S. military planners to assume that the Russians will not do as well. Nor is the Administration making any such assumption, particularly since it is clear that the Soviet need for a powerful ICBM capability is more urgent than our own; the Russians have no other strategic weapon of potentially decisive weight.

But even supposing that the Russians have brought their ICBM's to such a capability in 1962, and even assuming that they will then have a total of 500 weapons, it would still be impossible for them to destroy this nation's retaliatory power.

Against the arithmetic of an assault stands some solid arithmetic of defense. The budget now under dispute makes several changes in this country's ICBM order of battle. For one thing, the number of Titan squadrons is being raised, as previously mentioned, from four to eleven. These missiles will stand, five to eight miles apart, in deep steel and concrete silos capable of withstanding any shock but a direct hit or a very near miss. Were the Soviet rocket to be conceded a very high degree of reliability in 1962, together with a two-megaton warhead and a CEP of less than two miles, the Russians, in order to be 90 per cent sure of a "kill" of one Titan site, would have to fire at least fourteen rockets at each site. For 110 Titans so deployed, it would take a salvo of

some 1,500 rockets. By contrast, were the Soviet CEP to be as wide as three miles, nearly three score rockets would be needed to ensure destruction of one Titan site—and more than 6,000 for all the Titans deployed.

By another little-noticed alteration, the vulnerability of the Atlas squadrons is also being reduced. Originally, the squadron was to be made up of closely grouped clusters of three missiles, under common command. (The tenth missile was to serve as a standby reserve.) Since the missiles were to stand in the open, a single direct hit could well wipe out a third of the squadron's strength. It was too late to do anything about the first four Atlas squadrons, which are being so deployed, but under a decision taken in the fiscal 1960 budget, the individual missiles in the next five squadrons are to be spaced some fifteen miles apart; each will be surrounded by revetments designed to survive a megaton-plus shock at two miles or so. This change would multiply by at least five the number of ICBM's the U.S.S.R. would need to be 90 per cent sure of knocking out each Atlas in a toughened site. (The last three squadrons may, in fact, be put entirely underground, and this would in turn further increase the "hardness.")

The Minuteman, if it fulfills its technical promise, will introduce wholly new magnitudes into the arithmetic of defense. Plans that at this stage are highly tentative call for a deployment of squadrons of fifty missiles each, with every missile below ground in its own "hard" site, invulnerable except to an all but direct hit.

ICBM economics

The ICBM economics that go with this arithmetic of defense also have a bearing on budget decisions. The capital cost for an Atlas squadron in its "toughened" sites will be about \$110 million, and for a Titan in its "hard" sites about \$135 million. The capital cost of a fifty-missile Minuteman squadron, not counting R. and D. but including the silo and the support and control equipment, is estimated at about \$110 million. Should this figure be realized, the capital cost of each Minuteman deployed would drop to about \$2 million, compared to \$11 million for the Atlas and \$13,500,000 for the Titan. When, therefore, the extraordinary economic advantages of the Minuteman are taken in conjunction with the high technical promise of a rocket that

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Embattled McElroy cont.

can be maintained in a perpetual state of readiness, the reluctance of the President and Secretary McElroy to plunge more heavily on the Titan and the Atlas becomes understandable, at least so long as the early-1963 timetable for the Minuteman remains a fairly reasonable possibility.

The SAC grip

Some critics of the present strategy, instead of being placated by such figures, use the economics of missiles to mount another attack on the Administration; i.e., for continuing to expend so much money on SAC. It can indeed be pointed out that the capital cost of a wing (forty-five) of B-52's is about \$750 million, including its ground establishment. That amount of money would buy nearly seven Atlas squadrons in toughened sites. During the past ten years the U.S. has invested in SAC (for equipment plus operating costs) an aggregate of \$70 billion to \$80 billion. Even now SAC absorbs about 40 per cent of the Air Force budget, or about \$8.5 billion a year. The Administration is proposing to make a further capital investment of some \$2.4 billion in fiscal 1960 in manned bombers alone.

The Administration's argument is that the U.S. cannot afford to relax one grip until it has made sure of a better one. SAC's strength, therefore, instead of being lessened, is being increased. From an earlier planned level-off strength of eleven wings of B-52's, the force is being raised under the fiscal 1960 budget to fourteen wings; the whole system is to have more than 700 bombers, plus several hundred KC-135 jet tankers. So, on the manned-bomber side of the strategic deterrent, the U.S. will end up in 1961 with a six-to-one advantage over the Soviet Bison-Bear combination.

Investment in the B-52 is being continued for two reasons. One is to hasten the retirement of the medium-range B-47's from the U.S. order of battle, because the overseas bases upon which they depend are rapidly becoming vulnerable to Soviet ICBM's. The other is the Administration's conviction that the manned bomber, in combination with a limited number of liquid-fuel ICBM's, is the surest way of maintaining a decisive retaliatory power through the next four years, during a period of highly uncertain transition, while the solid-fuel Polaris and Minuteman are being rushed through development.

The Administration's confidence in the manned bomber remains strong. The \$2.4-billion addition to the Air Force budget will go into the B-52 and its companion tankers, and the Hound Dog air-to-ground nuclear missile that will enable the crew to release its weapon several hundred miles from the intended targets; into the mach 2 B-58 bomber, the Hustler; and into the R. and D. outlay for the chemically fueled B-70 bomber, which will fly at three times the speed of sound and operate at an altitude a third again as high as that of the B-52.

This, then, is the case that Neil McElroy has undertaken to defend. It may be amended and no doubt it is susceptible to some improvement in detail, if not in basic principle. There is, in fact, one breach that might be made in Eisenhower's ceiling of \$40.9 billion for the military budget, but it would be in the order of several hundreds of millions, not billions as some are demanding. The purpose would be to clear away some of the suspense that surrounds the gaps in our intelligence.

The "pacing factor"

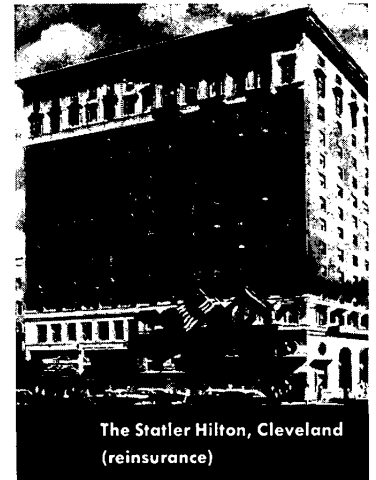
There is a "pacing factor" that governs our ability to bring up the production of the Atlas and Titan fast, in the event that current intelligence estimates of Soviet ICBM capability should suddenly turn out to be wrong. A two-year lead time is required for the construction of sites and the manufacture of certain ground equipment. By laying out several hundred million dollars now on such advance preparations for ten or so additional liquid-fueled squadrons, the U.S. could take a nine-month or so option on an enlarged ICBM program without becoming committed for the total cost. Meanwhile we would continue to assess Soviet progress. It stands to reason that if the Russians are going for an early achievement of a general-war capability with a liquid-fuel ICBM, they will be governed by much the same pacing factors that figure in U.S. planning, and they would soon be committed to huge construction and training enterprises that could hardly be wholly concealed.

If the additional Atlas and Titan squadrons do not look necessary a year from now, a stop-loss order can be executed. If they do seem necessary, valuable time will have been saved, at a cost of only about a 1 per cent addition to McElroy's budget. This seems a moderate enough price to pay to lessen any suspense affecting the nation's judgment.

END



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